

FM-10 (23 Contracts)

Council District(s) All

**Department of Aging**

**Assisted Living Care Services**

The Administration is requesting approval of 23 contracts to provide assisted living care for eligible County residents age 62 and older who meet income and eligibility requirements. Each contract commences July 1, 2021, continues through June 30, 2022, and will renew automatically for four additional 1-year periods. The County will pay the contractors up to \$1,000 (plus annual consumer price index escalations) per month per client (the subsidy amount), based on the client's contribution of income, at a rate to be determined by State guidelines. Estimated compensation totals \$789,718 for FY 2022 and \$3,948,590 for the entire 5-year term, including the renewal periods. See Exhibit A.

**Fiscal Summary**

<b>Funding Source</b>	<b>FY 2022</b>	<b>Combined Total Compensation</b>
<b>County</b>	--	--
<b>State <sup>(1)</sup></b>	\$ 789,718	\$ 3,948,590
<b>Federal</b>	--	--
<b>Other</b>	--	--
<b>Total</b>	<u>\$ 789,718 <sup>(2)</sup></u>	<u>\$ 3,948,590 <sup>(3)</sup></u>

<sup>(1)</sup> Maryland Department of Aging funds.

<sup>(2)</sup> Estimated compensation for all contractors providing these services for FY 2022.

<sup>(3)</sup> Estimated compensation for all contractors providing these services for the entire 5-year term, including the renewal periods, assuming the FY 2022 estimated cost for the renewal periods.

**Analysis**

The Department operates the Senior Assisted Living Subsidy Program, which provides low and moderate income seniors access to State-licensed small assisted living sites (4 to 16 beds). Specifically, the program subsidizes assisted living expenses of County residents, 62 years of

age and older (or under 62 as approved by the Maryland Department of Aging), who meet income and eligibility requirements. According to State law, to be eligible for this program, a client's net monthly income (monthly income from all sources, minus non-reimbursable medical expenses greater than 3 percent of total monthly income, minus an allowance for personal expenses of \$130 per month) may not be higher than 60 percent of the State median income (i.e., \$3,002 for a single household and \$3,925 for a two-person household); assets may not exceed \$19,000 for an individual or \$25,000 for a couple.

The contractors will provide the following assisted living services to eligible County residents: onsite supervision 24 hours per day, 7 days per week; three meals per day and an evening snack; personal services (e.g., grooming, bathing, dressing); and housekeeping and laundry services.

The 23 contractors are:

- 2 Hearts Assisted Living, LLC T/A 2 Hearts ALF, LLC
- 2 Hearts at Liberty, LLC
- A Caring Place, Inc.
- AJ Fitts Unlimited, LLC, d/b/a A Perfect Fit Assisted Living
- All the Best Care Assisted Living, Inc.
- Best Care Assisted Living, LLC
- Dulaney Valley Assisted Living, Inc. and Dulaney Valley Assisted Living, Inc. T/A Dulaney Valley Assisted Living at Hunt Valley
- Hampton Meadows, LLC
- House of Victory Home Care, Inc. T/A The House of Victory Apostolic
- Joyous Living, Inc.
- Lifespring, LLC
- Ma Maison, Inc. T/A Ma Maison I, Ma Maison II, Ma Maison III
- Na's Place A Haven of Rest, Inc.
- Precious Jewels Assisted Living, Inc.
- Rolling Meadows d/b/a 303 N. Rolling Road, LLC
- The Comforts at Catonsville, LLC
- The Comforts of Home, LLC (Shareba Kerriem) T/A Comforts of Home, Comforts of Home II, Comforts of Home III
- Woodholme Manor, LLC

The client is responsible for entering into a service agreement for the services needed directly with the contractor of his or her choice from the County's list of contractors. The County will pay the contractors up to \$1,000 (plus annual consumer price index escalations) per month per client (the subsidy amount), based on the client's contribution of income, at a rate to be determined by State guidelines. The Department advised that new State regulations allow for subsidies of up to \$1,000 per month based on client income and facility cost; the County will pay the lesser of the difference between the subsidized resident's net monthly income and the facility's approved monthly fee, or the maximum monthly subsidy of \$1,000 per month. The client is responsible for paying any contractor fees in excess of the County's subsidy amount. Contractor fees charged to clients vary depending on the level of services provided and may not exceed the fees charged to non-subsidized clients for the same level of service.

Each contract commences July 1, 2021, continues through June 30, 2022, and will renew automatically for four additional 1-year periods on the same terms and conditions, unless the County provides notice of non-renewal. Estimated compensation for all contractors providing these services totals \$789,718 for FY 2022 and \$3,948,590 for the entire 5-year term, including the renewal periods, assuming the FY 2022 estimated cost for the renewal periods. Either party may terminate the agreement by providing 30 days prior written notice. The contracts are subject to the availability of State funds and may be terminated by the County in the event of a reduction or termination of funding.

The County contracts with any provider that is licensed by the State of Maryland, serves Baltimore County residents, and meets Department criteria for providing these services. The Department advised that there are currently 30 contractors providing assisted living care services; this includes 22 of the proposed 23 contractors, whose contracts are set to expire June 30, 2021.

The Department advised that the number of clients served per year depends on longevity and changing service needs as well as State funding levels, and that currently, there is no waiting list for services. The Department also advised that it served 101 clients in FY 2020 and expects to serve 101 clients in each of FYs 2021 and 2022. FY 2020 expenditures totaled \$578,455, and FY 2021 expenditures through April 2021 totaled \$459,698.

The County's Procurement Affidavit requires potential contractors to indicate whether they are in good standing with the State of Maryland. A contractor is deemed to be in good standing if all reports, filings, and penalties due to the State Department of Assessments and Taxation (SDAT) are up-to-date and paid and the entity has a valid, active resident agent. We noted that, according to the SDAT records as of June 1, 2021, The Comforts at Catonsville, LLC is not in good standing.

The Department advised that the facility is not in good standing because it has not filed its 2021 annual report but that it is in the process of resolving the issue.

County Charter, Section 715, requires that “any contract must be approved by the County Council before it is executed if the contract is...for services for a term in excess of two years or involving the expenditure of more than \$25,000 per year....”

## **Executive Summary**

### **SENIOR ASSISTED LIVING SUBSIDY PROGRAM**

*Fiscal Year 2022*

The Department of Aging is requesting approval of 23 assisted living contracts for fiscal year 2022. The Senior Assisted Living Subsidy program subsidizes assisted living expenses of Baltimore County residents 62 years of age or older who meet income and eligibility requirements. Services provided include: twenty-four hour, seven days per week on-site supervision, three meals per day and evening snack, personal services (grooming, bathing, dressing), and housekeeping and laundry services.

The Department served 101 clients in FY 2020 and estimates it will serve 101 clients in FY2021 and FY 2022 for all contracts. Assisted living fees vary depending on the services provided and are generally the same as those charged to non-subsidized clients. The client is responsible for fees in excess of this subsidy.

These original contracts will be effective July 1, 2021 through June 30, 2022 (initial term), with an option to renew for four (4) years under the same terms, conditions, and State established rates. The contractors are assisted living facilities licensed by the Maryland Department of Health.

Prepared by: Department of Aging